

EXHIBIT 7

to the Declaration of
Lin Kahn in Support of
Defendant's Opposition to Supplemental
Motion for Class Certification

1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF CALIFORNIA
3 SAN JOSE DIVISION
4

5 IN RE: HIGH-TECH EMPLOYEE)
6 ANTITRUST LITIGATION)
7) No. 11-CV-2509-LHK
8 THIS DOCUMENT RELATES TO:)
9 ALL ACTIONS.)
10 _____)
11

12 VIDEOTAPED DEPOSITION OF MASON STUBBLEFIELD
13 ATTORNEYS' EYES ONLY
14 Friday, March 29, 2013
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24 Reported By:
25 KATHLEEN WILKINS, CSR #10068, RPR-RMR-CRR-CCRR-CLR

10:28:13 1 one of the tools to help aid decisions around how
10:28:19 2 we compensate employees. So part of what we were
10:28:20 3 doing was putting levels in place that were
10:28:22 4 consistent or connected, not necessarily
10:28:25 5 completely consistent, but connected to levels
10:28:28 6 that are used in some of the surveys that exist in
10:28:31 7 the marketplace as a way for us to collect market
10:28:33 8 information on how other companies pay similar
10:28:35 9 types of roles, similar levels of roles.

10:28:38 10 Q. And do you recall in the 2005 era what
10:28:41 11 types of market survey information you were
10:28:43 12 collecting?

10:28:44 13 A. The pri- -- the primary survey that we
10:28:47 14 use is through Radford, and that's been the one
10:28:50 15 that we've used historically.

10:28:53 16 Q. And what type of information do you get
10:28:55 17 from Radford?

10:28:58 18 A. We get cash compensation information
10:28:59 19 from them. And so we get information that gives
10:29:02 20 us general data on how other companies pay and
10:29:05 21 base salary and what their typical incentive
10:29:09 22 targets are and what their typical actual
10:29:11 23 incentives are. It also gives us some information
10:29:14 24 around equity value that would be provided for
10:29:16 25 different levels of jobs.

10:29:19 1 Q. And is there a certain set of Radford
10:29:25 2 data that is particularly of interest to Intuit,
10:29:27 3 either by industry or type of worker?

10:29:31 4 A. So historically, we've looked just at
10:29:34 5 the general survey data from Radford. And so
10:29:37 6 we've not done selected market cuts or pulled
10:29:39 7 specific companies out of the data; we just look
10:29:41 8 at their general data. We look at it on a
10:29:44 9 geographic basis because we operate in so many
10:29:46 10 different locations around the country, and there
10:29:48 11 is a lot of variation of pay across the country.
10:29:50 12 So we'll use that as a piece of data to help us in
10:29:53 13 making decisions or references for decisions in
10:29:56 14 other locations. But we don't use a select
10:29:59 15 company cut.

10:30:00 16 Q. Is one of the categories of information
10:30:02 17 that would be on the Radford data software
10:30:04 18 engineer from this part of the country?

10:30:08 19 A. Yes. So we were -- you asked the
10:30:10 20 question about worker types. And so we are
10:30:12 21 looking at jobs that we have inside the
10:30:14 22 organization. And so a software engineer would be
10:30:16 23 an example of a job where we would want that data
10:30:19 24 or we would look at that data. We're not real
10:30:21 25 interested in the data on a chip designer because

10:30:25 1 it's not work that we do.

10:30:27 2 Q. Okay. Do you have a sense of what
10:30:32 3 the -- the key jobs are for you to get market data
10:30:37 4 on?

10:30:39 5 A. We tried to benchmark every job that we
10:30:42 6 can, and so we're able to benchmark about
10:30:45 7 80 percent of our jobs today. So I'm not sure I
10:30:47 8 would describe it as key jobs as much as it is
10:30:50 9 having representative data that helps us in making
10:30:53 10 decisions across the broad organization.

10:30:58 11 Q. And why do you try to benchmark these
10:30:59 12 jobs to the market?

10:31:02 13 A. Be able to pay competitively.

10:31:12 14 Q. Is there a process by which you or
10:31:15 15 others that you were aware of in the organization
10:31:17 16 in that 2005/2009 time period would review market
10:31:23 17 data to determine whether there should be salary
10:31:26 18 adjustments because the market was changing for
10:31:28 19 certain jobs?

10:31:29 20 A. Sure. We would look at the data as a --
10:31:32 21 you know, as one reference point for us in knowing
10:31:35 22 how fast the market is moving and how much things
10:31:37 23 are changing in the market and use that as an
10:31:40 24 indication of what -- a piece of data or something
10:31:42 25 that may help us in determining what our merit

10:36:46 1 Q. But wasn't one of reasons you looked at
10:36:47 2 that market information to stay competitive with
10:36:50 3 your salaries? Is that right?

10:36:51 4 A. Yes. We did use the data as a
10:36:53 5 competitive reference.

10:36:54 6 Q. Right.

10:36:55 7 And so if you observed that there were
10:36:56 8 certain positions where you had somehow fallen
10:36:59 9 below whatever level you thought was competitive
10:37:01 10 in the market, that would influence your decision
10:37:03 11 to increase salaries in that area; isn't that
10:37:05 12 correct?

10:37:06 13 MR. KIERNAN: Object to form.

10:37:10 14 THE WITNESS: We'd use the data as a
10:37:11 15 reference from a competitive perspective and we --
10:37:13 16 we had consistent merit budgets. We didn't find
10:37:17 17 any data that said we needed to make any changes
10:37:19 18 to do anything specific for an individual group
10:37:22 19 during that time period.

10:37:22 20 BY MS. DERMODY:

10:37:22 21 Q. And was the reason you looked at the
10:37:24 22 data was to identify if you had to make those
10:37:26 23 changes?

10:37:29 24 MR. KIERNAN: Object to form.

10:37:32 25 THE WITNESS: The --

10:37:34 1 MR. KIERNAN: Just so I can clarify, the
10:37:35 2 reason I keep saying that is I don't know when
10:37:37 3 you're saying "you" if you mean he personally or
10:37:40 4 Intuit in general.

10:37:41 5 MS. DERMODY: Sure. Fair enough.

10:37:43 6 Q. I'm asking you in your role on this
10:37:46 7 compensation group.

10:37:50 8 A. We use the data as a reference tool. We
10:37:53 9 used other elements of data as reference tools as
10:37:55 10 well. And so, yes, that would be -- part of the
10:37:59 11 reason was to see how fast things were changing in
10:38:01 12 the market, how much things were moving in the
10:38:04 13 market.

10:38:04 14 Primarily, the use of the data was to
10:38:06 15 help our managers have another reference point on
10:38:08 16 how they are compensating employees. So they make
10:38:11 17 the compensation decisions. It's in their
10:38:13 18 discretion to choose how they want to pay. We use
10:38:16 19 it as a reference point to help them. We are
10:38:18 20 mostly giving them the data to give them an update
10:38:21 21 and say here's what current data looks like.

10:38:24 22 Then, yes, if we had seen huge changes
10:38:25 23 or dramatic changes in some ways, that might have
10:38:28 24 prompted us to make some decisions. We didn't
10:38:30 25 find that -- I don't recall finding that during

10:38:31 1 that time period. We had very consistent merit
10:38:34 2 budgets during that time period.

10:38:41 3 Q. When you moved to the HR business
10:38:46 4 partner role, was there another group of people
10:38:49 5 that were continuing to use the market data and
10:38:52 6 perform the same tasks you were then performing?

10:38:56 7 A. Yes. The -- there were others who took
10:38:58 8 on -- there was others who took on the roles and
10:39:01 9 responsibilities that I had when I moved.

10:39:02 10 Q. And who were those people?

10:39:04 11 A. The role was essentially split between
10:39:07 12 two people. Parrish Pullen.

10:39:13 13 Q. And?

10:39:13 14 A. And Christina Hall. And I did remember
10:39:18 15 the last name of the other person. Patricia Kada,
10:39:22 16 K-A-D-A.

10:39:28 17 Q. Thank you.

10:39:30 18 What were Mr. Pullen and Miss Hall's
10:39:35 19 responsibilities?

10:39:37 20 A. Miss Hall took on most of the
10:39:39 21 responsibilities that I had had in executive
10:39:41 22 compensation and equity compensation, and
10:39:43 23 Mr. Pullen took on more of the base pay
10:39:46 24 responsibilities that I had had initially. And
10:39:49 25 that evolved some over time. And I don't know

01:23:07 1 calibrating on performance, calibrating on
01:23:09 2 retention, looking at the population by similar
01:23:12 3 positions.

01:23:12 4 So it's not appropriate to put an admin
01:23:16 5 and an executive in the same group and calibrate.
01:23:19 6 So getting groups together that way, using ranking
01:23:22 7 tools, which this shows a way to think about
01:23:25 8 ranking. So using those ranking tools just as
01:23:28 9 ways to think about the calibration and get the
01:23:30 10 population into segments.

01:23:32 11 This second page we went to first on its
01:23:35 12 own has no context.

01:23:36 13 Q. Looking at the page before where it says
01:23:38 14 "Assess and Calibrate Across Organization," one of
01:23:41 15 the items on this page says, "Mitigate Legal
01:23:43 16 Risks."

01:23:44 17 Do you see that?

01:23:45 18 A. Yes, I do see that.

01:23:46 19 Q. And is that advising managers to be
01:23:49 20 aware of treating people with the same talent and
01:23:53 21 performance differently depending on EEO
01:23:56 22 characteristics or things like that?

01:23:58 23 A. I don't know specifically what it meant
01:23:59 24 here.

01:24:01 25 Q. What's your understanding of what that

01:24:03 1 means?

01:24:04 2 A. Like I said, I don't know specifically
01:24:05 3 what it meant here, but the example that you
01:24:08 4 provided would be a likely scenario of things that
01:24:11 5 we would want managers to be looking at. Managers
01:24:16 6 don't have access to all that information. Some
01:24:18 7 managers don't know all the EEOC data behind an
01:24:21 8 individual. So they are really looking at based
01:24:23 9 on performance and retention more than anything
01:24:25 10 else.

01:24:26 11 Q. And is there a separate level review,
01:24:28 12 maybe part of your audit or the compensation
01:24:31 13 group's audit, of recommended merit increases
01:24:34 14 where there is some consideration paid to fairness
01:24:38 15 based on EEO characteristics or things like that?

01:24:41 16 A. No.

01:24:44 17 Q. How do you train managers to do what
01:24:48 18 item C instructs about evaluating exposure in
01:24:53 19 determining whether it's defensible?

01:24:56 20 A. We train managers to focus on
01:24:58 21 performance and making pay decisions based on
01:25:02 22 performance.

01:25:04 23 Q. And the prior slide which says to
01:25:05 24 mitigate legal exposure, how do you train managers
01:25:08 25 to do that?

01:25:09 1 A. Like I said, I'm not sure what the
01:25:10 2 context was for this on this slide or this page.
01:25:13 3 We train managers to focus on performance and to
01:25:15 4 make their decisions based on performance.

01:25:18 5 Q. Do you have training that's focused on
01:25:20 6 EEO issues?

01:25:21 7 MR. KIERNAN: Object to form.

01:25:28 8 THE WITNESS: Intuit requires that
01:25:31 9 leaders go through certain training from a legal
01:25:32 10 perspective on a regular basis, so we do have
01:25:36 11 training in a number of different areas.

01:25:39 12 BY MS. DERMODY:

01:25:40 13 Q. And do you have a training that's
01:25:41 14 focused on managing diversity or diverse people?

01:25:46 15 A. We do.

01:25:46 16 Q. And is part of that training focused on
01:25:49 17 ensuring that there is fairness of treatment
01:25:51 18 across different demographic groups?

01:25:59 19 A. The training focuses on managing
01:26:00 20 diversity, focused on inclusion within the
01:26:03 21 workplace.

01:26:05 22 Q. Is there a training that focuses on
01:26:07 23 paying people that have similar talent and similar
01:26:12 24 performance the same inclusive of different
01:26:14 25 demographic groups?

01:26:15 1 A. We don't have any training that focuses
01:26:17 2 on paying anybody the same. All of our focus on
01:26:20 3 training on compensation is paying for
01:26:22 4 performance, and appropriate pay for the person,
01:26:24 5 the skills they bring, and the contribution that
01:26:26 6 they bring. We specifically train not to focus on
01:26:31 7 internal equity in paying people the same.

01:26:32 8 Q. But assuming that you have two people
01:26:34 9 that have the same skill level and are giving the
01:26:38 10 same performance, is the expectation that their
01:26:41 11 pay would be the same?

01:26:43 12 MR. KIERNAN: Object to form.

01:26:44 13 THE WITNESS: No.

01:26:45 14 BY MS. DERMODY:

01:26:45 15 Q. What would be the distinction between
01:26:47 16 those two people?

01:26:49 17 A. There could be a number of different
01:26:50 18 factors that could drive a distinction. We would
01:26:52 19 expect them to be paid comparably or similarly,
01:26:55 20 but we wouldn't expect them to be paid the same.

01:26:58 21 Q. And what might distinguish them in that
01:27:00 22 hypothetical?

01:27:01 23 A. Could be background and experience,
01:27:04 24 could be prior roles, could be a number of
01:27:06 25 different factors of things that they brought with

01:27:09 1 them to the role that the manager believes drives
01:27:12 2 the different value for them today.

01:27:14 3 Q. So if they -- if one of them had more
01:27:16 4 tenure with the company, more knowledge of the
01:27:20 5 job, for example, that would be a distinction?

01:27:21 6 A. We don't focus on tenure with the
01:27:24 7 company as a factor. So someone might have come
01:27:26 8 in with a different background or different
01:27:28 9 experience an individual manager sees as having a
01:27:31 10 different value. It's the manager's discretion in
01:27:33 11 that case. So not something that the company
01:27:36 12 specifically is looking for that should say they
01:27:39 13 should be paid the same.

01:27:40 14 Q. And if the hypothetical is that the
01:27:43 15 people come in straight out of college, same
01:27:45 16 experience, same performance, would the
01:27:47 17 expectation be that they would be paid the same?

01:27:51 18 MR. KIERNAN: Object to form.

01:27:54 19 THE WITNESS: The -- the one area where
01:27:56 20 we have more consistency in pay is with new grads,
01:28:01 21 because they generally have no work experience.
01:28:02 22 And so fairly typical practice is to pay them
01:28:05 23 roughly the same. It starts to differentiate as
01:28:08 24 they have differences in performance.

01:28:09 25 We don't expect everyone in the same

01:33:15 1 or just anecdotal things they are hearing about
01:33:18 2 what may be happening in the marketplace.

01:33:20 3 Q. Would that be akin to an internal
01:33:22 4 benchmark?

01:33:23 5 A. Benchmark is probably broad. It's a
01:33:27 6 data point.

01:33:34 7 Q. Then step 2 where it says "Assess value,
01:33:37 8 supply and demand," do you see that?

01:33:39 9 A. Yes.

01:33:39 10 Q. The underlying sentence says, "Rank
01:33:41 11 employees by performance, retention and pay
01:33:43 12 equity."

01:33:44 13 Do you see that?

01:33:44 14 A. I do see that.

01:33:45 15 Q. And what does that mean?

01:33:49 16 A. I think it refers back to the page we
01:33:51 17 were -- two pages we were looking at on the other
01:33:53 18 document on the calibration process, looking at
01:33:56 19 employees and calibrating across decisions with
01:33:59 20 the intent to recognize that we're paying for
01:34:02 21 performance.

01:34:03 22 Q. And by "calibrating decisions," does
01:34:05 23 that mean that you're linking equivalent
01:34:09 24 performance to similar pay decisions?

01:34:20 25 A. No. It's looking to make sure there's

01:34:22 1 alignment between performance and pay decisions.

01:34:25 2 It's not trying to get to the same decisions.

01:34:27 3 Q. Okay. What is pay equity as referenced
01:34:31 4 here?

01:34:31 5 A. It's looking for that -- I think it's
01:34:33 6 looking for that relationship between pay and
01:34:36 7 performance in that your highest performing
01:34:38 8 employee should likely be one of your highest paid
01:34:42 9 employees.

01:34:46 10 Q. And what was the ranking process that
01:34:49 11 happened?

01:34:51 12 A. I couldn't say specifically what
01:34:53 13 processes were used. If you go back to the other
01:34:55 14 document where it had a tool, that the page we
01:34:57 15 started looking at that had the two charts, the
01:35:00 16 three different levels in it, that was a
01:35:02 17 suggestion as a way to think about ranking,
01:35:04 18 ranking by performance and by retention.

01:35:07 19 Q. Can you tell me which document you're
01:35:08 20 talking about?

01:35:09 21 A. Sorry. That was the one that's labeled
01:35:11 22 2739.

01:35:31 23 Q. Oh, the page that had those boxes?

01:35:35 24 A. Yes.

01:35:35 25 Q. So you're looking at before what was

01:35:37 1 called ranking tool to help with rationale and
01:35:40 2 clarity?

01:35:41 3 A. Yes. So that with the page in front of
01:35:42 4 it on calibration.

01:35:53 5 MR. KIERNAN: Kelly, if it's helpful,
01:35:55 6 it's also in this -- it's also in the current
01:35:58 7 exhibit.

01:35:59 8 MS. DERMODY: Oh, please tell me where.
01:36:00 9 That would be much --

01:36:02 10 MR. KIERNAN: 2740. And it has page
01:36:03 11 numbers. So it's page 20 and 21.

01:36:10 12 MS. DERMODY: Bless you, Mr. Kiernan.

01:36:16 13 MR. KIERNAN: I don't want to go back to
01:36:18 14 that other document because of the length.

01:36:20 15 MS. DERMODY: Yes. Yes. Hard to use.
01:36:21 16 Great.

01:36:22 17 Q. So in Exhibit 2740 on page 21, is this
01:36:27 18 the chart that you were referencing?

01:36:33 19 A. Yes.

01:36:33 20 Q. And how does the ranking work using this
01:36:35 21 chart on page 21?

01:36:41 22 A. This was intended to be -- there's a
01:36:43 23 tool to help leaders in comparing decisions,
01:36:45 24 evaluating their decisions to make sure that they
01:36:47 25 are rewarding performance appropriately. There

01:50:25 1 Q. Do you have an understanding of what the
01:50:27 2 attachments are reflecting?

01:50:33 3 A. It's reflecting two things. So on the
01:50:37 4 what I guess I would think of as page 2 in this,
01:50:40 5 so the page that says, "Intuit strategy
01:50:43 6 positions," this is a list of the positions that
01:50:46 7 Intuit had for those roles.

01:50:48 8 So the titles, the job codes listed next
01:50:50 9 to those, the salary range guidelines, this is
01:50:53 10 really not a salary range guideline. It's the
01:50:56 11 market reference data. Intuit does not have
01:50:58 12 salary ranges. So this would be polling from a
01:51:01 13 quick base in the market reference data that we
01:51:03 14 have, shows the IPI target that's attached to the
01:51:05 15 job, what that would look like from a total comp
01:51:08 16 perspective, what we would typically provide as
01:51:11 17 stock options for someone coming into the
01:51:13 18 organization in that role, and then the last
01:51:14 19 column is a reference to how they have budgeted
01:51:16 20 for the positions.

01:51:18 21 The third page is some data that she had
01:51:21 22 collected from outside conversations with her
01:51:24 23 recruiting firm on how some of the organizations
01:51:26 24 that we might be recruiting from were paying
01:51:29 25 similar positions.

01:51:43 1 Q. If you go back to the first page of this
01:51:45 2 document, the third paragraph says:

01:51:50 3 "How can I ensure that we
01:51:52 4 have the right salary ranges for
01:51:54 5 the C, D and S group and that at
01:51:57 6 merit review time, we do not have
01:51:58 7 to spend a lot of time in
01:52:00 8 discussions of salary ranges and
01:52:01 9 management career progression
01:52:03 10 based on outdated or inappropriate
01:52:05 11 categories for these jobs?"

01:52:07 12 Do you see that?

01:52:08 13 A. Yes.

01:52:08 14 Q. First of all, what is the C, D and S
01:52:11 15 group?

01:52:11 16 A. Corporate development and strategy.

01:52:18 17 Q. And do you recall there being times
01:52:21 18 where people spent a lot of time discussing salary
01:52:29 19 ranges and whether they were appropriate for
01:52:31 20 different positions?

01:52:32 21 A. Intuit doesn't have salary ranges, so
01:52:35 22 there -- I do recall times when there were
01:52:37 23 questions about whether or not we were paying
01:52:39 24 competitively or had the ability to pay
01:52:41 25 competitively for the talent that we want, but

01:52:43 1 Intuit does not have salary ranges.

01:52:45 2 Q. So when you had those discussions, what
01:52:47 3 would be the vocabulary you would use?

01:52:52 4 A. It would depend on the specifics. It
01:52:53 5 would cover a number of different things. We've
01:52:55 6 built a process that allows a manager -- managers
01:52:58 7 to exercise discretion and to choose to pay how
01:53:01 8 they believe they need to pay to attract and
01:53:03 9 retain the talent they need to run the business.
01:53:05 10 We provide market reference data as a tool to help
01:53:08 11 them in evaluating their decisions, but it's their
01:53:11 12 decision to choose how they pay.

01:53:17 13 Q. So the discussion of salary ranges is
01:53:19 14 talking -- is talking about the competitive pay
01:53:21 15 for those jobs at Intuit?

01:53:26 16 A. I can't say specifically what
01:53:28 17 Miss Grafil meant when she put it in the context
01:53:31 18 of her message. Our context back for it would
01:53:34 19 always be in the context of market reference data
01:53:36 20 because we don't have a salary range.

01:53:40 21 Q. Okay.

01:53:40 22 (Whereupon, Deposition Exhibit 2742
01:53:40 23 was marked for identification.)

01:55:02 24 BY MS. DERMODY:

01:55:02 25 Q. This document marked 2742 should have

1 I, Kathleen A. Wilkins, Certified
2 Shorthand Reporter licensed in the State of
3 California, License No. 10068, hereby certify that
4 the deponent was by me first duly sworn and the
5 foregoing testimony was reported by me and was
6 thereafter transcribed with computer-aided
7 transcription; that the foregoing is a full,
8 complete and true record of said proceedings.

9 I further certify that I am not of
10 counsel or attorney for either of any of the
11 parties in the foregoing proceeding and caption
12 named or in any way interested in the outcome of
13 the cause in said caption.

14 The dismantling, unsealing, or unbinding
15 of the original transcript will render the
16 reporter's Certificates null and void.

17 In witness whereof, I have hereunto set
18 my hand this day: April 4, 2013.

19 x Reading and Signing was requested.

20 Reading and Signing was waived.

21 Reading and signing was not requested.

22 _____

23 KATHLEEN A. WILKINS

24 CSR 10068, RPR-RMR-CRR-CCRR-CLR

25